

## **Program B: Payments to Public Providers**

### **PROGRAM DESCRIPTION**

The mission of the Payments to Public Providers Program is to provide payments to public providers of health care services to Louisiana residents who are eligible for Title XIX (Medicaid) and to administer the Medicaid Program to ensure operations are in accordance with federal and state statutes regarding medically necessary services to eligible recipients. Additionally, the Medical Vendor Payments Program assures that reimbursements to providers of medical services to Medicaid recipients are appropriate.

The goal of the Payments to Public Providers Program is to screen children for medical, vision, hearing and dental abnormalities.

The Payments to Public Providers Program provides for direct payments to the following: Louisiana Health Care Authority, LSU Medical Center, State MR/DD Services, State Long Term Care Facilities, Office of Public Health, Office of Substance Abuse, Community Mental Health, Public Psychiatric Free Standing Units, Public Psychiatric Distinct Part Units, State Education, and other public providers.

The Payments to Public Providers Program administers the KIDMED program. KIDMED is Louisiana's name for the federally mandated service that must be offered to economically disadvantaged children under the State's Early Periodic Screening, Diagnosis, and Treatment (EPSDT) program. Federal legislation established EPSDT as a Medicaid service in 1967. Louisiana began providing EPSDT when it became a mandatory service in 1972. In 1990, Louisiana renamed the screening component of its EPSDT program to KIDMED.

### **OBJECTIVES AND PERFORMANCE INDICATORS**

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

**The objectives and performance indicators that appear below are associated with program funding in both the Base Executive Budget and Governor's Supplementary Recommendations for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.**

1. (KEY) To ensure that at least 94% of eligible KIDMED screening recipients due for a screening receive KIDMED screening services through outreach efforts.

Strategic Link: *This objective implements Goal II, Objective ii.2 of Program A & B, Medical Vendor Payment, of the strategic plan: To ensure that 94% of eligible recipients (Medicaid eligibles from birth through 2 years of age) are enrolled in the KIDMED program to receive available services through outreach efforts by June 30, 1999.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Number of screening eligibles receiving at least one initial or periodic screening	350,622	Not available <sup>1</sup>	385,322	385,322	385,322	385,322
K	Percentage of eligibles receiving screening	94%	Not available <sup>1</sup>	94%	94%	94%	94%

<sup>1</sup> The data for state fiscal year 1998-99 has been requested from UNISYS. However, Y2K compliance projects have taken precedence, per Executive Orders 96-50 and 98-04. This data is now being compiled. Drafts of reports to show figures revealed unreliable data due to efforts to transition data from an annual to a monthly (quarterly) report. Procedures are underway to reprogram to ensure accurate data.

GENERAL PERFORMANCE INFORMATION					
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1994-95	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of screening eligibles who should receive at least one initial or periodic screening	Not available	Not available	Not available	349,213	Not available

<sup>1</sup> The data for state fiscal year 1998-99 has been requested from UNISYS. However, Y2K compliance projects have taken precedence, per Executive Orders 96-50 and 98-04. This data is now being compiled. Drafts of reports to show figures revealed unreliable data due to efforts to transition data from an annual to a monthly (quarterly) report. Procedures are underway to reprogram to ensure accurate data.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$110,261,225	\$113,150,027	\$113,150,027	\$118,480,487	\$105,469,859	(\$7,680,168)
STATE GENERAL FUND BY:						
Interagency Transfers	0	570,946	570,946	374,857	341,980	(228,966)
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	0	1,650,106	1,650,106	0	7,705,699	6,055,593
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	260,863,733	275,079,340	275,079,340	283,771,159	271,026,967	(4,052,373)
TOTAL MEANS OF FINANCING	<u>\$371,124,958</u>	<u>\$390,450,419</u>	<u>\$390,450,419</u>	<u>\$402,626,503</u>	<u>\$384,544,505</u>	<u>(\$5,905,914)</u>
EXPENDITURES & REQUEST:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	0	0	0	0	0	0
Related Benefits	0	0	0	0	0	0
Total Operating Expenses	0	0	0	0	0	0
Professional Services	0	0	0	0	0	0
Total Other Charges	371,124,958	390,450,419	390,450,419	402,626,503	384,544,505	(5,905,914)
Total Acq. & Major Repairs	0	0	0	0	0	0
TOTAL EXPENDITURES AND REQUEST	<u>\$371,124,958</u>	<u>\$390,450,419</u>	<u>\$390,450,419</u>	<u>\$402,626,503</u>	<u>\$384,544,505</u>	<u>(\$5,905,914)</u>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

A supplementary recommendation of \$164.5 million, of which \$41.6 million is State General Fund, is included in the Total Recommended for this program. It represents full funding of the payments to the Office for Citizens with Developmental Disabilities and the Office of Mental Health, and partial funding of the payments to LSU Health Services Center and LSUHSC – Health Care Services Division, and payable out of revenues generated by the renewal of the 3% suspension of the exemptions to the sales tax.

A supplementary recommendation of \$9.7 million, of which \$2.9 million is State General Fund, is included in the Total Recommended for this program. It represents full funding of the payments to public providers for the Medically Needy Program. This item is contingent upon Revenue Sources in excess of the Official Revenue Estimating Conference Forecast subject to Legislative approval and recognition by the Revenue Estimating Conference.

## SOURCE OF FUNDING

This program is funded with General Fund, Interagency Transfers, Fees and Self-generated Revenues, Statutory Dedications, and Federal Funds. The Interagency Transfers are sent from the Department of Education for the CHILDNET program for special education and rehabilitative services for children under the age of three (3). The Statutory Dedication, also only in the existing operating budget, is the Louisiana Medical Assistance Trust Fund which derives its funding source from the collection of provider fees from varying medical providers in the state based on corresponding per bed per day rates. (Per R.S. 39:32B.(8), see table below for a listing of expenditures out of each statutory dedicated fund.) Federal Funds represent federal financial participation in the Medicaid program.

	ACTUAL	ACT 10	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED OVER/(UNDER)
	1998-1999	1999- 2000	1999- 2000	2000 - 2001	2000 - 2001	EXISTING
Louisiana Medical Assistance Trust Fund	\$0	\$167,207	\$167,207	\$0	\$7,705,699	\$7,538,492
Louisiana Fund	\$0	\$1,482,899	\$1,482,899	\$0	\$0	(\$1,482,899)

## ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$113,150,027	\$390,450,419	0	<b>ACT 10 FISCAL YEAR 1999-2000</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$0	0	None
\$113,150,027	\$390,450,419	0	<b>EXISTING OPERATING BUDGET – December 3, 1999</b>
(\$179,366)	(\$607,612)	0	Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01
(\$1,564,060)	(\$5,298,302)	0	Other Adjustments - Balance for changes in the budgeted expenditures in the public facilities receiving Medicaid reimbursements, including \$1.7 million (\$.5 million State General Fund) in reductions associated with the state position reductions
\$1,879,072	\$0	0	Net Means Of Financing Substitutions - Replace non-recurring revenues (\$228,966 in Interagency Transfers and \$1,650,106 in Statutory Dedications - Louisiana Medical Assistance Trust Fund and Louisiana Fund) with State General Fund
(\$110,115)	\$0	0	Net Means Of Financing Substitutions - Replace State General Fund with Federal Funds for the change in the state and federal financial participation requirements
(\$7,705,699)	\$0	0	Net Means Of Financing Substitutions - Replace State General Fund with Statutory Dedications, Louisiana Medical Assistance Trust Fund, to properly align revenue between the programs in this agency
\$105,469,859	\$384,544,505	0	<b>TOTAL RECOMMENDED</b>
(\$44,504,157)	(\$174,240,881)	0	<b>LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS</b>
\$60,965,702	\$210,303,624	0	<b>BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001</b>

SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:

\$38,897,693	\$155,248,795	0	Claims payments to the Office for Citizens with Developmental Disabilities
\$472,320	\$1,600,000	0	Claims payments to the Office of Mental Health
\$500,186	\$1,694,396	0	Claims payments to the LSU Health Sciences Center
\$1,763,192	\$5,972,874	0	Claims payments to the LSUHSC Health Care Services Division
<b>\$41,633,391</b>	<b>\$164,516,065</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL</b>
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$2,870,766	\$9,724,816	0	Medically Needy Program
<b>\$2,870,766</b>	<b>\$9,724,816</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE</b>
<b>\$105,469,859</b>	<b>\$384,544,505</b>	<b>0</b>	<b>GRAND TOTAL RECOMMENDED</b>

The total means of financing for this program is recommended at 98.5% of the existing operating budget. It represents 98.2% of the total request (\$391,466,259) for this program. The major change to this program relates directly to the changes made to budgets of the state operated public health care providers.

## PROFESSIONAL SERVICES

This program does not have funding for Professional Services for Fiscal Year 2000-2001.

## OTHER CHARGES

### Interagency Transfers:

Interagency Transfers for the payments to following public providers for the provision of wide variety of medical services to patients enrolled in the State's Medicaid program:

\$704,487	Capital Area Human Services District
\$80,567	Louisiana School for the Deaf
\$5,209,811	Louisiana Special Education Center
\$6,586,273	Local education agencies
\$64,630,114	Louisiana State University Health Sciences Center (LSUHSC)
\$110,620,633	LSUHSC, Health Care Services Division
\$5,628,353	New Orleans Home and Rehabilitation Center
\$151,957,794	Office for Citizens with Developmental Disabilities
\$4,822,884	Office of Mental Health for Community Mental Health Services
\$1,600,000	Office of Mental Health for Distinct Part Units
\$14,386,714	Office of Public Health
\$1,006,710	Other Varying Public Agencies
\$3,291,001	Special School District #1
\$14,019,164	Villa Feliciana Medical Complex

**\$384,544,505 SUB-TOTAL INTERAGENCY TRANSFERS**

**\$384,544,505 TOTAL OTHER CHARGES**

## **ACQUISITIONS AND MAJOR REPAIRS**

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001.